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UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Electrification Administration  
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To : Arthur W. Gerth, Chief, Applications and Loans Division  
Thomas J. Robertson, Chief, Cooperatives' Operations Division  
Guy W. Thaxton, Chief, Design and Construction Division  
Jos. F. Marion, Chief, Finance Division  
M. M. Samuels, Chief, Technical Standards Division  
Allyn A. Walters, Chief, Information Division  
R. Douglas Smith, Chief, Personnel Division  
James R. Frazer, Chief, Management Division

From : William J. Neal, Acting Administrator

Subject: REA Procedure for Surplus War Property Activities

Four primary objectives guide the surplus war property disposal activity with respect to REA-financed systems and REA assistance to its borrowers who may desire to secure suitable surplus war property. These objectives are:

- A. Secure and coordinate information from the Surplus Property Board and the several Federal agencies that will actually handle disposal of surplus war property;
- B. Advise and assist cooperatives in securing available surplus war property;
- C. Provide technical advisory assistance to REA borrowers in discovering and inspecting items of surplus war property; appraisal and price negotiation in light of REA standards and specifications;
- D. Expedite the movement of suitable surplus war property from disposal agency to the REA borrower.

The following procedure is established in order to achieve these objectives:

A. The Surplus War Property Office (SWPO) will:

1. Secure and coordinate information that the Surplus Property Board and the several Federal agencies that will actually handle disposal of surplus war property.

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2. Maintain relations with the Surplus Property Board in Washington and the several agencies in Washington and appropriate regions directly or through:
  - a. Washington Liaison Office
  - b. Liaison Officers from the Army and the Navy assigned to the Office of the Secretary.
3. Assemble and catalog information regarding available surplus war property as reported by field representatives and obtained by direct contacts.
4. Classify surplus war property reported available according to REA's standards and specifications. For surplus war property not meeting REA standards and specifications clearly or for which no REA standards and specifications have been established, the SWPO shall refer the items to one of the following collaborators who shall promptly make final determination whether such items are suitable for use by REA borrowers:
  - a. For items used in line construction -- a representative from Design and Construction Division to be designated by Chief of that Division.
  - b. For transportation equipment and tools -- a representative from Cooperatives' Operations Division designated by Chief of that Division.
  - c. For office equipment -- committee of two consisting of one representative each from Cooperatives' Operations Division and Finance Division, to be designated by the Chiefs of these Divisions.
  - d. For wiring, plumbing and other consumer equipment -- a representative from the Applications and Loans Division to be designated by the Chief of that Division.
5. Prepare a letter for administrative approval to borrowers advising them of the REA activities in respect of surplus war property and requesting them to advise REA whether they are interested in purchasing such property and the particular classes of property on which they want flash sheets.



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6. Prepare flash sheets to be sent borrowers that have indicated interest in or need for the particular class of surplus war property. The flash sheets will describe the property that is available and suitable for use and such pertinent information as may be required by borrowers in obtaining the property.
7. Receive and process orders from borrowers for surplus war property for forwarding to disposal agency. Check with and obtain approval from the appropriate regional head of the Cooperatives' Operations Division as to the amount and type of property ordered by each cooperative, the price paid for the property, and the availability of funds or additional funds needed for purchase.
  - a. Assist borrower where necessary in arranging for purchase of the items.
  - b. Advise borrower on proper procedure concerning direct payment by borrowers to the disposal agency.
8. Transfer of purchase orders where the minimum lots offered for sale are more than one borrower may require.
9. Expedite the movement of surplus items from the warehouse or depot of disposal agency to other warehouses visited by REA representatives where such items are to be held until distributed to borrowers.
10. Make necessary arrangements, either directly or through field representatives, for freezing surplus items where practicable and for release back to the disposal agency in the event that such items are not suitable or not purchased by borrowers.
11. Establish such relations as may be required at the Disposal Agency's national and regional levels in order to expedite holding, or moving of surplus items.
12. Provide technical advisory assistance to REA borrowers for inspection; appraisal and price negotiation of surplus items in light of REA standards and specifications.
  - a. Arrange with Division Chiefs for their field representatives to check with disposal agency warehouses or supply depots. Arrangements shall be made for field representatives to visit or telephone at regular intervals, preferably every two weeks, each designated warehouse or depot in order to secure information related to the availability of various items.



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1. The field representative will report immediately to the central office (SWPO) any items declared surplus or on which further information may be desired. Special items will warrant special reports. These reports from the field representative will indicate such items not previously reported.
  2. The field representative will report items likely to become available.
  3. The field representative will send to central office (SWPO) any pertinent information which may be useful to REA or to the borrowers in securing suitable surplus war properties, or expediting transactions.
  4. All field reports will be addressed to SWPO, and transmitted through the regional head.
  5. Field representatives will not advise with any borrower in respect of negotiating for surplus war property unless specifically instructed to do so by the SWPO. No commitments to purchase materials shall be made by the field representatives without prior written approval from SWPO.
  6. Field representatives will inspect items declared surplus or likely to be declared surplus in respective warehouses or depots in order to secure necessary information concerning conditions and suitability in light of REA standards and specifications. Such inspections will be in accordance with instructions.
  7. The field representatives may make arrangements with disposal agencies to freeze surplus items that appear to be suitable for use by REA borrowers and shall do so when instructed by SWPO.
  8. The field representatives shall be the field engineers of the Cooperatives' Operations Division, except as field representatives of other Divisions may be assigned in accordance with provisions contained in paragraphs C-2, D-3 and E-3.
- B. The Cooperatives' Operations Division will through its designed representative:
1. Advise SWPO in respect of orders received from borrowers (Paragraph A-7 above) and in regard to suitability of materials contained on orders for the following materials and equipment:
    - a. Trucks and transportation equipment;
    - b. Line materials, poles, transformers, meters, etc., for normal inventory stock;



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- c. Construction and maintenance tools, including linemen belts, hooks, pole scoop shovels, pole hole diggers, pole pikes, tempers, etc.;
  - d. Safety equipment including first aid kits;
  - e. Office supplies and equipment (in conjunction with the Finance Division).
- 2. Arrange with SWPO to assign field operations engineers to serve as field representatives of SWPO in calling on designated supply depots in their respective regions.
  - 3. Designate a representative to determine the suitability of surplus war transportation equipment and tools for use by REA borrowers.
  - 4. Designate one member to serve with one member from Finance Division on the committee to determine suitability of surplus war office equipment for use by REA borrowers.
- C. The Design and Construction Division will through its designated representative:
- 1. Advise SWPO in respect of suitability of materials contained on orders received from borrowers for the following materials and equipment for construction purposes:
    - a. Poles and pole hardware, cross arms, braces, conductor, etc.;
    - b. Guy wire and anchors;
    - c. Ground rods, ground clamps and grounding conductor;
    - d. Insulators, pins, wire holders, racks and spools, etc.;
    - e. Meters;
    - f. Transformers and substation equipment;
    - g. Line switching and sectionalizing equipment;
    - h. Engines, generators, turbines and all generating plant equipment for Diesel, hydro and steam;



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1. Building materials for offices, including lumber, building board, hardware, doors, windows, cement, plaster, paint, etc.
2. Cooperate with Cooperatives' Operations Division regarding the assignment of field construction engineers to call on designated supply depots in their respective regions for the purpose of inspection of materials.
3. Designate a representative to determine suitability of surplus war line construction and generating property for use by REA borrowers.

D. The Finance Division will through its designated representative:

1. Upon the request of the Cooperatives' Operations Division regional engineers determine availability of funds to finance purchase of surplus war property before orders are forwarded to disposal agencies.
2. Designate one member to serve with one member from Cooperatives' Operations Division on the Committee to determine suitability of surplus war office equipment for use by REA borrowers.
3. Cooperate with Cooperatives' Operations Division regarding the assignment of auditors to call on designated supply depots in their respective regions for the purpose of inspection of materials.

E. The Applications and Loans Division will through its designated representative:

1. Advise SWPO in respect of suitability of materials contained on orders for the following materials:
  - a. Building wiring materials and service entrance equipment;
  - b. Yard wiring and lighting including conductor racks and spools, house knobs or wire holders, weatherproof switches, motors and meter starters, etc.;
  - c. Plumbing fixtures, water heaters, etc.;
  - d. Plumbing pipe and fittings, valves, etc.;
  - e. Septic tanks;
  - f. Water systems;
  - g. Irrigation pipe and fittings, pumps, etc.;



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- h. Meter switches and controls for irrigation pumps;
- i. Appliances and equipment for home and farm use.
- 2. Designate one representative to determine suitability of surplus war wiring, plumbing and other consumers' equipment for use on REA borrowers' systems.
- 3. Cooperate with Cooperatives' Operations Division regarding the assignment of field representatives to call on designated supply depots in their respective regions for the purpose of inspection of materials.

